

U.S. House and Senate Notification
Thursday, February 4, 2010

To: Congressional Health Staff

From: Amy Hall
Director, Office of Legislation
Centers for Medicare & Medicaid Services

Subject: CMS Releases CHIPRA Guidance on Express Lane Eligibility and Prospective Payment for FQHCs

Today, the Centers for Medicare & Medicaid Services (CMS) released two letters to State Health Officials as part of a series that provides guidance on implementation of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA).

CHIPRA includes many provisions designed to give States the tools they need to effectively enroll eligible children in Medicaid and Children's Health Insurance Program (CHIP) coverage. One of the key tools that CHIPRA offers is the Express Lane Eligibility option. Section 203 of CHIPRA permits States to rely on findings from an Express Lane agency to conduct simplified eligibility determinations and facilitate enrollment in Medicaid and CHIP. This provision was effective upon enactment of CHIPRA, February 4, 2009. The first letter provides guidance on the Express Lane eligibility option to enable States to effectively pursue this strategy.

The second letter discusses section 503 of CHIPRA, which makes section 1902(bb) of the Act, the provision that governs payment for federally qualified health centers (FQHCs) and rural health clinics (RHCs), applicable to CHIP in the same manner as it applies to Medicaid. Medicaid programs make payments for FQHC/RHC services in an amount calculated on a per-visit basis that is equal to the reasonable cost of such services documented for a baseline period, with certain adjustments, or use an alternative payment methodology to pay for FQHC and RHC services. Section 503 of CHIPRA also authorizes \$5 million in transition grants to assist States in meeting the requirements of this provision. The grants will be announced later this month.

The State Health Officials letters can be viewed at:
<http://www.cms.hhs.gov/SMDL/SHO/list.asp#TopOfPage>

If you have questions about this guidance, please contact the CMS Office of Legislation.

Thank you.